



Inside Australian Online Shopping eCommerce update

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A strong start to the 2022 calendar year.

Online shopping has continued to remain popular throughout January 2022, despite the expected dip (-9.6%) in activity following the busy Christmas period.

Year-on-year (YOY), growth was up an impressive 16.6%, with ACT, WA, and TAS growing the fastest up 26.3%, 21.3% and 18.7% respectively.

2022 outlook

5.5 million households shopped online in January. This is consistent with the monthly average over the last 12 months, and a positive sign that engagement with online shopping will likely remain strong throughout 2022.

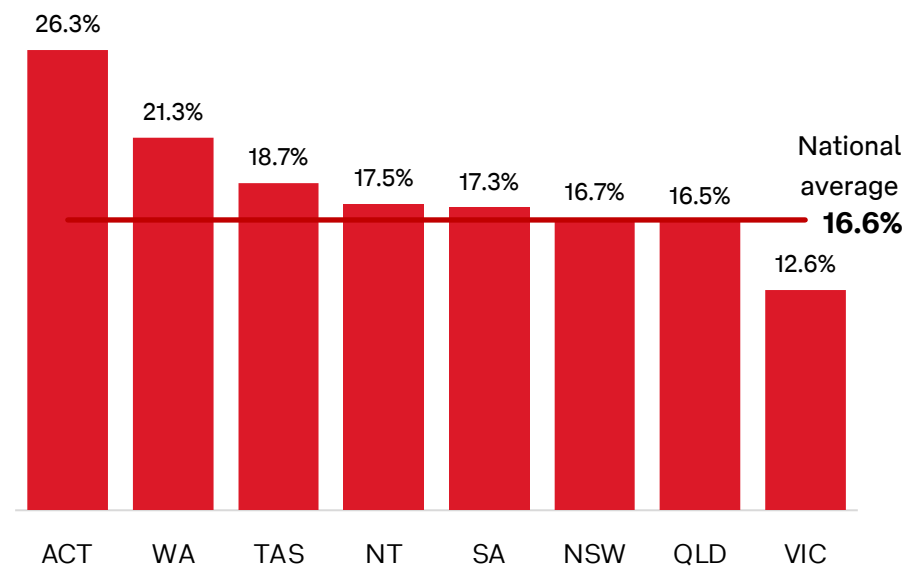
16.6% YOY

-9.6% MOM

11.1% YOY

12 months to 31
January 2022

eCommerce purchases, YOY growth
January 2022



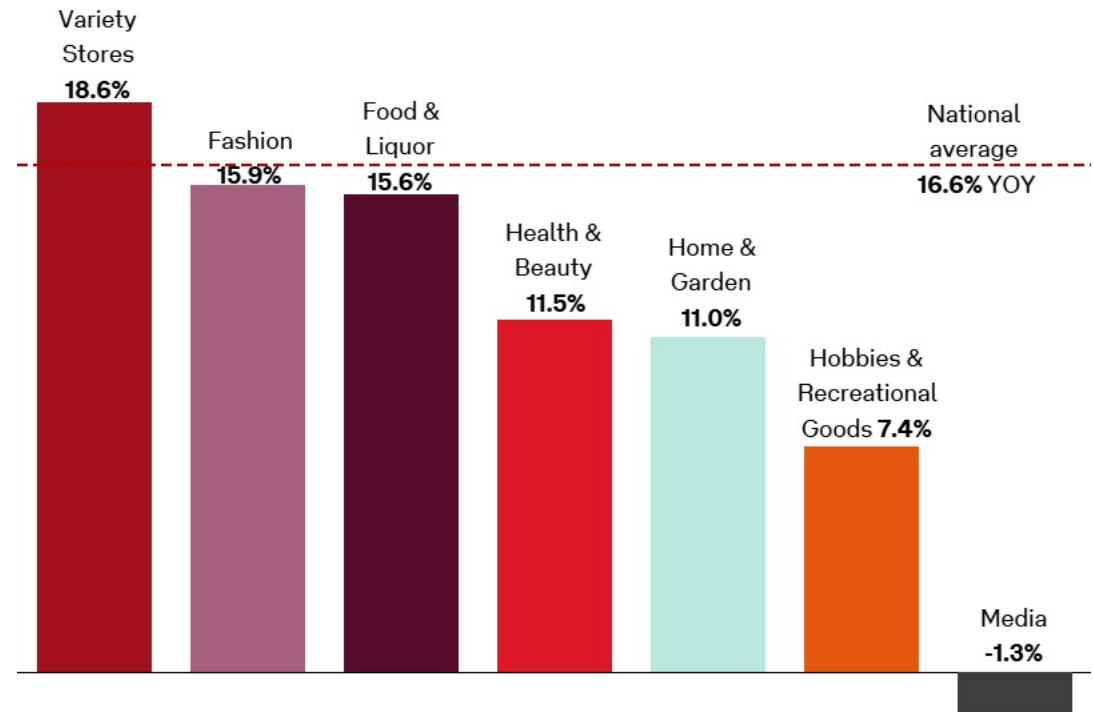
Leading categories throughout January.

January saw strong YOY growth across most specialty retailers. Variety stores, fashion and food & liquor led the way, but Variety Stores was the only category to grow above the national average.

On a sub-category level in January, the below five categories lead the way, all recording month-on-month growth of at least 5% and year-on-year above 15%.

- Wellness (Health & Beauty)
- Pet Products (Home & Garden)
- Auto Parts (Hobbies & Recreational Goods)
- Tools & Garden (Home & Garden)
- Baby Products (Home & Garden)

eCommerce purchases, YOY growth
January 2022



Retail returns in review.

The surge in online shopping over the online sales and festive period drove an increase in parcel returns for 31% of businesses throughout the month of January.¹

A massive 76% of businesses who sell products believe that consumers expect online retailers to offer free returns¹, however, only 26% of businesses actually do offer returns free of charge to their customers.²

When reflecting on their existing returns policy, 36% of businesses intend to make changes to their returns policy in the future, with 47% of those wanting to extend the returns timeframe.¹

1. Australia Post Omnibus Survey, January 2022, n=611

2. Australia Post Omnibus Survey, December 2021, n= 484

The top three things businesses wished they'd changed about their return policy over the Christmas period¹:

- 1 Wish they'd offered free returns (32%)
 - 2 Shortened the return timeframe (28%), however, nearly just as many wished they'd extended the return timeframe (25%)
 - 3 Offering a store credit on returned items (27%)
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This update has been prepared using 2020, 2021 and 2022 deliveries data recorded by the Australia Post Group, unless otherwise stated. Commentary in this update relating to online shopping is based on an extrapolation of this data. Year on year growth numbers are based on actual or extrapolated transaction volumes. Shoppers or households are measured as residential or mix use addresses that received an eCommerce parcel.

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